

than January 31, to the members of the general assembly and the legislative fiscal bureau, of the activities and expenditures funded from the revolving fund during the preceding fiscal year. Section 8.33 does not apply to any moneys in the revolving fund and, notwithstanding section 12C.7, subsection 2, earnings or interest on moneys deposited in the revolving fund shall be credited to the revolving fund.

Sec. 3. NEW SECTION. 18.16B ART RESTORATION AND PRESERVATION REVOLVING FUND.

An art restoration and preservation revolving fund is created in the state treasury. The revolving fund shall be administered by the department and shall consist of any moneys appropriated by the general assembly, the receipts from the sale of certain personal property located on the state capitol complex, and any other moneys obtained or accepted by the department for deposit in the revolving fund. The proceeds of the revolving fund shall be used as determined by the department for the restoration, preservation, rehabilitation, or enhancement of art and artifacts of historical or cultural significance or artistic value located in public areas of the state capitol building. The department shall submit an annual report not later than January 31, to the members of the general assembly and the legislative fiscal bureau, of the activities and expenditures funded from the revolving fund during the preceding fiscal year. Section 8.33 does not apply to any moneys in the revolving fund and, notwithstanding section 12C.7, subsection 2, earnings or interest on moneys deposited in the revolving fund shall be credited to the revolving fund.

Approved April 6, 1998

---

## CHAPTER 1056

### INFECTIOUS AND CONTAGIOUS DISEASES AMONG LIVESTOCK

*S.F. 2371*

**AN ACT** relating to infectious and contagious diseases affecting livestock and providing penalties.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. NEW SECTION. 163.6 SLAUGHTER FACILITIES — BLOOD SAMPLES.

1. As used in this section, unless the context otherwise requires:

a. "Department" means the department of agriculture and land stewardship or the United States department of agriculture.

b. "Slaughtering establishment" means a person engaged in the business of slaughtering animals, if the person is an establishment subject to the provisions of chapter 189A which slaughters animals for meat food products as defined in section 189A.2.

2. The department may require that samples of blood be collected from animals at a slaughtering establishment in order to determine if the animals are infected with an infectious or contagious disease, according to rules adopted by the department of agriculture and land stewardship. Upon approval by the department, the collection shall be performed by either of the following:

a. A slaughtering establishment under an agreement executed by the department and the slaughtering establishment.

b. A person authorized by the department.

An authorized person collecting samples shall have access to areas where the animals are confined in order to collect blood samples. The department shall notify the slaughtering establishment in writing that samples of blood must be collected for analysis. The notice shall be provided in a manner required by the department.

3. In carrying out this section, a person authorized by the department to collect blood samples from animals as provided in this section shall have the right to enter and remain on the premises of the slaughtering establishment in the same manner and on the same terms as a meat inspector authorized by the department, including the right to access facilities routinely available to employees of the slaughtering establishment such as toilet and lavatory facilities, lockers, cafeterias, areas reserved for work breaks or dining, and storage facilities. The slaughtering establishment shall provide a secure area for the permanent storage of equipment used to collect blood, an area reserved for collecting the blood, including the storage of blood during the collection, and a refrigerated area used to store blood samples prior to analysis. The area reserved for collecting the blood shall be adjacent to the area where the animals are killed, unless the authorized person and the slaughtering establishment select another area. The department is not required to compensate a slaughtering establishment for allowing a person authorized by the department to carry out this section.

4. A person violating this section or a rule adopted pursuant to this section shall be subject to a civil penalty of at least one hundred dollars but not more than one thousand dollars. Moneys collected in civil penalties shall be deposited in the general fund of the state.

Sec. 2. Section 163.30, subsection 5, unnumbered paragraph 3, Code Supplement 1997, is amended to read as follows:

However, registered swine for exhibition or breeding purposes which can be individually identified by an ear notch or tattoo or other method approved by the department are excepted from this identification requirement. In addition, native Iowa swine moved from farm to farm ~~may shall~~ be excepted from the identification requirement if the seller and purchaser sign a statement providing that feeder pigs will not be commingled for a period of thirty days and such fact is stated on the health certificate owner transferring possession of the feeder pigs executes a written agreement with the person taking possession of the feeder pigs. The agreement shall provide that the feeder pigs shall not be commingled with other swine for a period of thirty days. The owner transferring possession shall be responsible for making certain that the agreement is executed and for providing a copy of the agreement to the person taking possession.

Sec. 3. Section 166D.5, subsection 2, unnumbered paragraph 1, Code 1997, is amended to read as follows:

When the department determines that a majority of herds within a program area have been tested and a majority of herds reveal a noninfection rate of ~~ninety~~ eighty percent or greater, the following shall apply:

Sec. 4. Section 166D.7, subsection 1, paragraph a, Code 1997, is amended to read as follows:

a. The herd shall be certified when all breeding swine have reacted negatively to a test. The herd must have been free from infection for thirty days prior to testing. At least ninety percent of swine in the herd must have been on the premises as a part of the herd for at least sixty days prior to testing, or swine in the herd must have been moved directly from another qualified negative herd. To remain certified, the herd must be retested and recertified as provided by the department. The herd shall be recertified when ~~either of the following occurs:~~

~~(1) Each eighty to one hundred five days at least twenty five percent of the herd's breeding swine react negatively to a test.~~

~~(2) Each each month the greater of five head of swine or at least ten percent of the herd's breeding swine react negatively to a test.~~

Sec. 5. Section 166D.8, subsection 1, Code 1997, is amended to read as follows:

1. a. A herd cleanup plan may include any or a combination of the following:

a- (1) The segregation of progeny with restricted movement. The herd cleanup plan must include the location of the premises that will receive the progeny. The receiving premises shall be quarantined.

b- (2) The test and removal of infected swine from the herd.

e- (3) Depopulation.

b. Notwithstanding paragraph "a", breeding swine in an infected herd shall be tested and the infected breeding swine shall be removed from the infected herd in accordance with procedures and by dates established by rules adopted by the department.

Sec. 6. Section 166D.8, subsection 2, paragraphs a and c, Code 1997, are amended to read as follows:

a. There must have been no clinical signs of pseudorabies during the past ~~six months~~ thirty days.

c. An approved ~~pseudorabies eradication feeder pig cooperator herd~~ plan must be implemented. ~~However, swine from a feeder pig cooperator herd may be moved within Iowa without individual tests as feeder pigs of unknown origin.~~ The feeder pig cooperator herd plan must include the location of the premises that will receive the progeny. The receiving premises shall be quarantined.

Sec. 7. Section 166D.9, subsection 4, unnumbered paragraph 2, Code Supplement 1997, is amended to read as follows:

Herds A herd removed from quarantine under this subsection shall be tested by statistical sampling one year later, unless an epidemiologist determines that the herd must be tested earlier.

Sec. 8. Section 166D.10, subsection 1, paragraph c, Code Supplement 1997, is amended to read as follows:

c. A person ~~transferring~~ transfers ownership of all or part of a herd, if the herd remains on the same premises. However, the herd must be tested by statistical sampling. If any part of the herd is subsequently moved or relocated, the swine ~~that are~~ must be moved or relocated ~~must be accompanied by a certificate of inspection, or an official health certificate or veterinarian certificate as provided in section 163.30, unless the swine are moved to slaughter in accordance with this section and sections 166D.7, 166D.8, and 166D.9.~~

Sec. 9. Section 166D.10, subsection 2, unnumbered paragraph 1, Code Supplement 1997, is amended to read as follows:

Swine that are moved shall be individually identified as provided in section 163.30, which may include requirements for affixing ear tags to swine. However, native Iowa feeder pigs moved from farm to farm within the state shall ~~not be subject to~~ exempted from the identification requirements of this subsection, if the owner transferring possession of the feeder pigs executes a written agreement with the person taking possession of the feeder pigs. The agreement shall provide that the feeder pigs ~~will~~ shall not be commingled with other swine for a period of thirty days. The owner transferring possession shall ~~provide~~ be responsible for making certain that the agreement is executed and for providing a copy of the agreement to the person taking possession ~~of the feeder pigs.~~

Sec. 10. Section 166D.10, subsection 6, Code Supplement 1997, is amended to read as follows:

6. In addition to other applicable requirements of this section, feeder swine moved from a location outside of this state to a location within this state shall be vaccinated, if the feeder swine are moved into a county where the department determines that more than three percent of all herds in the county are infected herds. The feeder swine shall be vaccinated with a differentiable vaccine according to procedures established by rules adopted by the

department. However, this subsection shall not require vaccination if the feeder swine originate from a qualified negative herd or a qualified differentiable negative herd and are introduced to a qualified negative herd or a qualified differentiable negative herd.

Sec. 11. Section 166D.12, subsection 4, paragraph a, Code 1997, is amended to read as follows:

a. Other species of livestock must ~~not be held~~ kept separate and apart from swine from known infected herds at the concentration point.

Sec. 12. Section 166D.13, subsection 1, Code 1997, is amended to read as follows:

1. Swine from ~~a quarantined~~ an infected herd shall not be displayed or shown at any exhibition.

Approved April 6, 1998

---

## CHAPTER 1057

### INSURANCE COMPANIES — REGULATION AND OPERATION — MISCELLANEOUS PROVISIONS

S.F. 2397

**AN ACT** relating to the operation and regulation of certain insurance companies, miscellaneous provisions relating to small group health care coverage, the ability of certain insurers to bring an action in certain instances, and the elimination of countersigning resident agent provisions.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. NEW SECTION. 432.13 STATUTE OF LIMITATIONS.

Within five years after the tax return is filed or within five years after the tax return became due, whichever is later, the commissioner of insurance shall examine the return and determine the tax. An assessment or a claim for credit must be made within five calendar years after the annual tax filing is made. For a five-year period preceding the current calendar year, a company may apply for a credit, or the commissioner may make an assessment, as appropriate. The period of examination and determination of the correct amount of tax is unlimited in the case of a false or fraudulent return made with the intent to evade tax or in the case of a failure to file a return.

Sec. 2. Section 507C.32, Code 1997, is amended to read as follows:  
507C.32 REINSURER'S LIABILITY.

1. Notwithstanding a provision in the reinsurance contract or other agreement, the amount recoverable by the liquidator from reinsurers shall not be reduced as a result of delinquency proceedings. Payment made directly to an insured or other creditor shall not diminish the reinsurer's obligation to the insurer's estate except when ~~the reinsurance contract provided for direct coverage of a named insured and the payment was made in discharge of that obligation~~ either of the following applies:

a. The contract or other written agreement specifically provides for another payee of the reinsurance in the event of the insolvency of the ceding insurer.

b. The assuming insurer, with the consent of the direct insured, has assumed the policy